

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1846 - HB 1916**

February 24, 2016

**SUMMARY OF BILL:** Deletes the sales and use tax exemption on the retail sale of periodicals printed entirely on newsprint or bond paper and regularly distributed twice monthly, or on a biweekly or more frequent basis, and advertising supplements or other printed matter distributed with the periodicals.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$10,900,000**

**Increase Local Revenue – \$3,900,000**

**Assumptions:**

- Effective date of July 1, 2016.
- The Governor's proposed budget for FY16-17, on page A-71, recognizes a loss of revenue of \$10,900,000 to the state and \$3,900,000 to the local government, as a result of the sales and use tax exemption on retail sales of newspaper periodicals pursuant to Tenn. Code Ann. § 67-6-329(a)(10). These numbers are assumed to remain constant in subsequent years.
- Deleting the sales and use tax exemption on such sales will not result in a significant decrease in the quantity of newspaper periodicals sold.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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